



**UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION
WASHINGTON, DC 20202-6132**

April 24, 2000

**CONGRESSIONAL NOTIFICATION OF SCHOOL YEAR 2000-2001
TITLE I ALLOCATIONS**

Funds appropriated under the Department of Education's Appropriations Act for Fiscal Year 2000 (Public Law (PL) 106-113) for programs or activities authorized by the Elementary and Secondary Education Act of 1965 (ESEA), as amended by PL 103-382, Title I, Helping Disadvantaged Children Meet High Standards (Title I)

Recipients: 50 States, District of Columbia, Puerto Rico; Department of the Interior, Bureau of Indian Affairs; and the Outlying Areas

Description: Enclosed is a State table that lists school year (SY) 2000-2001 formula allocations for Title I Grants to Local Educational Agencies (LEAs), Title I Accountability Grants to States, Capital Expenses, Even Start, the Migrant Education program, and the State Agency Neglected and Delinquent program. Except for a portion of Title I Grants to LEAs, these funds, provided in PL 106-113, will become available for obligation on July 1, 2000. For Basic Grants, \$1,520,745,030 will become available on July 1, 2000 and \$5,057,949,970 will become available on October 1, 2000. All of the funds appropriated for Concentration Grants will become available on October 1, 2000. A brief description of the Title I formulas and purposes of the programs for which the Department of Education (ED) is announcing allocations follows.

Grants to Local Educational Agencies (Title I, Part A)

Grants to Local Educational Agencies (LEAs) provide financial assistance to school districts for services that improve the teaching and learning of children at risk of not meeting challenging academic standards, especially those who reside in areas with high concentrations of children from low-income families. Funds are reserved to meet the special educational needs of Indian children in schools supported by the Bureau of Indian Affairs and for the Outlying Areas. In addition, up to \$3.5 million in funds from Title I Basic Grants to LEAs supports biennial updates of poverty updates for counties and LEAs. The following outlines the provisions of formula allocations under Title I Grants to LEAs for which Congress appropriated funds in PL 106-113.

Column 1 Basic Grants (Title I, Part A, section 1124)—ED allocates Basic Grant funds to LEAs through a statutory formula based primarily on the number of children, ages 5 through 17, from low-income families and each State’s per-pupil expenditure for education. In order to receive a Basic Grant, an LEA must have at least ten formula children and the number of those children must exceed 2 percent of the LEA’s total population ages 5 through 17. In making these allocations, ED used the Census Bureau’s 1995 school district estimates. These data reflect the Bureau’s list of LEAs in existence in SY 1995-96. For many States, ED’s LEA allocation list will not match the State’s current list of school districts because of LEA consolidations and creation of new LEAs since SY 1995-96. State educational agencies (SEAs) must, therefore, adjust ED’s LEA allocations to account for eligible LEAs that did not receive a Federal allocation. The statute also gives States the flexibility to use alternative poverty data (which, by statute, ED must approve) to redistribute ED-determined Title I Basic Grant allocations for LEAs with fewer than 20,000 total residents. For FY 2000, Congress again established, through special appropriation language in PL 106-113, a 100 percent “hold-harmless” provision to ensure that each eligible LEA and each State receives an allocation that is at least equal to the amount it received in SY 1998-99. This provision applies to allocations for SY 2000-2001 only and overrides the authorizing statute, which provides a variable hold-harmless guarantee to eligible LEAs of 85, 90, or 95 percent of the prior-year amount, depending on the individual LEA’s formula child rate.

Column 2 Concentration Grants (Title I, Part A, section 1124A)—ED allocates Concentration Grant funds to LEAs in which the number of children counted for Basic Grant formula purposes exceeds 6,500 children or 15 percent of the total population ages 5 through 17. The same provisions concerning the need for SEAs to adjust ED’s allocations to account for differences between State and Federal lists of LEAs and the flexibility available to SEAs for LEAs with fewer than 20,000 total residents also apply. PL 106-113 also provides for a 100 percent hold-harmless guarantee in SY 2000-2001 for States and LEAs. The hold-harmless guarantee applies to all LEAs that received a Concentration Grant allocation for SY 1999-2000 even if they no longer meet the eligibility thresholds. This provision applies to SY 2000-2001 allocations only and overrides the authorizing statute that provides no hold-harmless guarantee for Concentration Grants.

Column 3 Subtotal LEA Grants—The amount reflects the total of Columns 1 and 2. The State amounts for Part A Basic and Concentration Grants also include funds generated by children in locally operated institutions for delinquent children and adult correctional institutions that the SEA retains to make subgrants to LEAs under Part D, Subpart 2 of Title I.

Title I Accountability Grants

Column 4—PL 106-113 provides \$134 million for grants to States for distribution to LEAs to help carry out their responsibilities with regard to school improvement and corrective actions under section 1116(c) of Title I. ED allocates these funds to States through a formula based on their relative share of Title I, Part A funds. States in turn allocate funds only to those

LEAs that have schools identified as in need of improvement in accordance with section 1116(c). The Department issued guidance on this program in March, 2000.

Capital Expenses (Title I, section 1120(e))

Column 5—Capital expenses are allocated to States based on the count of private school children served by Title I in the most recent year for which satisfactory data are available. LEAs use these funds for non-instructional goods and services that result from implementing alternative methods of delivering equitable services to private school children. The Capital Expense program was created in 1989 in response to the Supreme Court's 1985 Aguilar v. Felton decision, which prohibited Title I personnel from providing instructional services to private school children on the premises of religiously affiliated schools. The program was intended to help LEAs provide services to private school children in ways that were compatible with that decision. However, in 1997 the Supreme Court reversed its earlier decision. Under the 1997 Agostini v. Felton decision, Title I personnel may now provide instructional services to private school children on the premises of religiously affiliated schools. Capital expense funds are thus used where alternative delivery systems are still needed to provide equitable services or to reimburse LEAs for past capital expenses.

Even Start Family Literacy Program (Title I, Part B)

Column 6—Even Start funds are allocated to States based on their relative share of Title I, Part A funds. In determining Even Start allocations, PL 106-113 requires that ED base Title I, Part A State shares on amounts that would have been distributed by the formula without the 100 percent hold-harmless guarantee. The authorizing statute also reserves funds at the Federal level for Even Start programs for migratory children, the Outlying Areas, Indian tribes and tribal organizations, statewide family literacy initiative grants, and for evaluation and technical assistance. SEAs make competitive subgrants to partnerships between LEAs and other entities for family-centered literacy programs that involve children, ages birth through 7, and their parents, who generally must be eligible for participation in adult education programs funded under the Adult Education and Family Literacy Act or be within the compulsory school attendance age range. Local programs improve the educational opportunities of children in low-income families by integrating family literacy activities, including early childhood education, adult education, and parenting education.

Migrant Education Program (Title I, Part C)

Column 7—Migrant Education funds are allocated to SEAs based on the full-time equivalent number of migratory children, ages 3-21, who reside in the State, as adjusted to reflect migratory children served in special summer or intersession programs. An amount of \$8,500,000 is reserved in FY 2000 for Migrant Education coordination activities carried out under section 1308 of Title I. The program establishes or improves programs of education for children of migratory agricultural workers and of migratory fishers that enable them to meet the same high

academic standards as other children. Services to migratory children may be provided directly by the SEA or through LEAs or other operating agencies.

Neglected and Delinquent Program (Title I, Part D, Subpart 1)

Column 8—The statute authorizes grants to SEAs for education programs that serve children and youth in State-operated institutions or community day programs for neglected or delinquent (N or D) children and in adult correctional facilities. State allocations are based on the number of N or D children enrolled in a regular program of instruction for at least 15 hours per week if in an adult correctional institution, and 20 hours per week if in an institution or community day program for N or D children. State agencies responsible for providing free public education for N or D children apply directly to the SEAs for these funds.

Additional Information

SEAs are authorized to reserve for State administration not more than one percent or \$400,000, whichever is greater, from funds allocated to the State under Parts A, C, and D (Subpart 1) of Title I. SEAs may also reserve not more than .5 percent from funds allocated to the States under Title I, Parts A, C, and D (Subpart 1) to carry out the requirements of sections 1116 and 1117 of Title I. Because Congress appropriated no funds for school improvement purposes under section 1002(f) of Title I, a State must reserve at least \$200,000 from its Title I, Parts A, C, and D (Subpart 1) allocations for this purpose. To reserve funds for these purposes, SEAs must adjust the Title I, Part A allocations to LEAs. SEAs may not set aside funds from the amount received under their School Improvement Grants to States for State administration and school improvement purposes. In addition, SEAs may reserve not more than 5 percent from funds allocated to the State under Part B of Title I (Even Start) for State administration and technical assistance purposes.

Further information on these allocations is available from the Office of Elementary and Secondary Education, U.S. Department of Education, 400 Maryland Avenue, SW (3W100-FOB 6), Washington, DC 20202-6100. For specific information concerning the Title I Migrant Education program, contact Francisco Garcia, Director, Office of Migrant Education, at (202) 260-1164. Questions on the other Title I programs may be referred to Mary Jean LeTendre, Director, Compensatory Education Programs, at (202) 260-0826.

Enclosures

State table
LEA allocations by State